

## Internal Revenue Service

Number: **201444023**  
Release Date: 10/31/2014  
Index Number: 911.11-03

Department of the Treasury  
Washington, DC 20224

Third Party Communication: None  
Date of Communication: Not Applicable

Person To Contact:  
, ID No.

Telephone Number:

Refer Reply To:  
CC:INTL:B02  
PLR-118975-14

Date:  
July 24, 2014

TY:

### Legend:

Taxpayer =

Spouse =

Country X =

Country Y =

Year 1 =

Year 2 =

Year 3 =

Year 4 =

Dear :

This is in response to a letter received in this office on March 10, 2014, requesting permission to reelect the provisions of section 911 of the Internal Revenue Code ("Code") beginning with Taxpayer's Year 4 taxable year. Additional information was submitted in a letter dated June 30, 2014.

The rulings contained in this letter are based upon information and representations submitted by Taxpayer and accompanied by a penalty of perjury statement executed by an appropriate party. While this office has not verified any of the material submitted in support of the request for rulings, it is subject to verification on examination.

Taxpayer lived and worked in Country X from Year 1 through Year 3. In Year 1, Taxpayer elected to exclude his foreign earned income under section 911. In Year 2, Taxpayer revoked the section 911 election. In Year 3, Taxpayer was transferred to his

employer's Country Y office. Taxpayer moved to Country Y on December 30, Year 3 and began his bona fide residency in Country Y on January 1, Year 4.

The individual income tax rate in Country X was substantially higher than the individual income tax rate in Country Y. Pursuant to section 911(e)(2) and Treas. Reg. §1.911-7(b)(2), Taxpayer seeks the consent of the Commissioner to reelect to exclude foreign earned income under section 911(a)(1) beginning with Year 4.

Treas. Reg. §1.911-7(b) provides that if an individual revoked an election to exclude foreign earned income under section 911(a) of the Code and within five taxable years the individual wishes to reelect the exclusion, then the individual may apply for consent to the reelection by requesting a ruling from the Associate Chief Counsel (International). In determining whether to consent to a reelection, the Associate Chief Counsel (International) or his delegate may consider any facts and circumstances relevant to the determination. Relevant facts and circumstances may include a move from one taxing jurisdiction to another taxing jurisdiction with differing tax rates.

Accordingly, based solely on the information and representations set forth above, Taxpayer may reelect the section 911 foreign earned income exclusion for Year 4 and subsequent tax years.

No opinion is expressed as to whether Taxpayer satisfied the requirements for the exclusion provided under section 911(a).

This ruling is directed only to the taxpayer who requested it. Section 6110(k)(3) provides that it may not be used or cited as precedent.

In accordance with the Power of Attorney on file with this office, a copy of this letter is being sent to your authorized representative.

Sincerely,

Jeffery G. Mitchell  
Chief, Branch 2  
Office of Associate Chief Counsel  
(International)

cc: